GHANA EXPORT-IMPORT BANK

ANNUAL REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2022

CFA & ASSOCIATES
(Chartered Accountant)
P. O. BOX GP 428
Accra

GHANA EXIMBANK

INDEX

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Kwadwo Boateng Genfi	-	Chairman
	Hon. Michael Okyere Baafi	-	Member
	Nana Sammy Osei-Bonsu	-	Member
	Mr. Peter Kwame Abebrese	-	Member
	Madam Catherine Quaidoo	-	Member
	Hon. Abena Osei Asare	-	Member
	Dr. Afua Asabea Asare	-	Member
	Mrs. Elsie Addo Awadzi	-	Member
	Mr. Lawrence Agyinsam	-	Member/CEO

SECRETARY

Emma N. Mullen-Essien
P. O. Box MB 493
Accra-Ghana

SOLICITORS

Minkah-Premo & Co.
No. 3 Emmause 2nd Close, Labone
P. O. Box 14951
Accra

REGISTERED OFFICE

4th – 8th Floor, Africa Trade House
P. O. Box MB 493
Accra – Ghana

AUDITORS

CFA & Associates
(Chartered Accountant)
Republic House Opp. Cocoboard
P. O. Box GP 482
Accra
Email: christianfosu.associates@yahoo.com
Telephone: 0244624177 / 0277822963

BANKERS

Agricultural Development Bank of Ghana
Bank of Ghana
Bank of Africa Ghana Limited
Cal Bank Limited
Ecobank Ghana Limited
Fidelity Bank Limited
First Atlantic Bank Limited
GCB Bank
National Investment Bank
Prudential Bank Limited
Stanbic Bank Ghana Limited
Standard Chartered Bank Ghana Limited

WEBSITE

www.eximbankghana.com

REPORT OF THE DIRECTORS

In accordance with the requirements of Section 33 (1) of Ghana Export - Import Act, 2016 (Act 911), we the Board of Directors of Export - Import Bank, do herewith submit our annual report on the state of affairs of the Bank for the year ended 31 December 2022.

Principal Activities

The Bank was established to carry on the business of provision of export credit guarantee and export credit insurance facilities to its clients, provision of credit in support of exports, establishment and management of funds connected with exports, maintenance of a foreign exchange revolving fund for lending to exporters who need to import foreign inputs to facilitate export production, maintenance of a trade information system in support of export business and provision of domestic credit insurance where such a facility is likely to assist exports.

Operational Results – 2022

The results of operations for the year ended 31 December 2022 are set out in the statement of comprehensive income, statement of financial position and the notes to the financial statements from pages 15 to 58.

The results for the year are summarized as follows:

	2022 GH¢	2021 GH¢
Total Income	309,020,581	212,497,773
Profit before tax	44,459,106	44,093,290
From which is deducted a provision for estimated income tax expense of	-	-
Leaving a Profit after tax of	44,459,106	44,093,290
Which is to be added to the surplus brought forward of	576,526,720	564,212,833
Less Statutory and Other Reserves	(4,331,364)	(31,779,403)
Resulting in a balance to be carried forward on the Retained Earnings account at December 31 of	616,654,462	576,526,720

Dividends

The Directors do not recommend the payment of dividends.

State of Affairs

The Directors consider the state of the Bank's affairs to be satisfactory.

Statement of Directors Responsibilities

The Ghana Export-Import Bank Act, 2016 (Act 911) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Bank as at the end of the financial year and of the operating results of the Bank for that year.

It also requires the directors to ensure that the Bank keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Bank. They are also responsible for safeguarding the assets of the Bank.

In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent in the circumstances and followed International Financial Reporting Standards and complied with the requirements of the Ghana Export-Import Bank Act, 2016 (Act 911).

REPORT OF THE DIRECTORS CONT'D

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Ghana Export-Import Bank Act, 2016 (Act 911). The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Bank and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The Directors consider the state of affairs of the Bank to be satisfactory and have made an assessment of the Bank's ability to continue as a going concern and have no reason to believe the Bank will not be a going concern in the year ahead.

The external auditors are responsible for independently auditing and reporting on the Bank's annual financial statements. The annual financial statements have been examined by the Bank's external auditors and their report is presented on pages 12 to 14.

Going Concern

The Board of Directors has made an assessment of the Bank's ability to continue as a going concern and is satisfied that it will have the resources from its shareholders to continue in business for the foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Auditors

In accordance with Section 32 (2) of the Ghana Export-Import Bank Act, 2016 (Act 911), the Auditor-General of the Republic of Ghana under Article 187(2) of the 1992 Constitution appointed CFA and Associates as the external auditors for the 2022 financial year. They have indicated their willingness to continue in office as auditors of the Bank subject to the Auditor-General's re-appointment.

Acknowledgement

The Board of Directors hereby expresses its sincere appreciation for the support, loyalty and dedicated service of the staff, management and all stakeholders of the Bank over the past year.

Approval of the Report of the Directors

The annual financial statements set out on pages 15 to 58, which have been prepared on the going concern basis, were approved by the Board of Directors and were signed on their behalf by:

Mr. Lawrence Agyinsam ***(CEO)***	**Mr. Kwadwo Boateng Genfi** ***(Board Chairman)***
18/05/2023 Date	18/5/2023 Date

CORPORATE GOVERNANCE REPORT

Corporate governance is the exercise of ethical and effective leadership by the governing body towards the achievement of four governance outcomes; ethical culture, good performance, effective control and legitimacy. Corporate governance seeks the achievement of the long-term goals of the organisation while maintaining the right balance with stakeholders' interests. The stakeholders comprise both internal and external parties.

Ghana Export-Import Bank is conscious of its role as a policy bank, hence, there is a robust system of corporate governance in place.

The Board and Board Committees

The Board of Directors consist of a Non-Executive Chairperson, seven (7) other Non-Executive Directors and one (1) Executive Director/Chief Executive Officer (CEO).

The Board comprises of persons of mixed skills with experience in different fields of human endeavour. The Directors are conscious of their statutory responsibilities as well as their responsibilities to shareholders and other stakeholders. The Board is responsible for the strategic direction of the Bank.

The Chief Executive Officer is responsible for the day-to-day running of the Bank assisted by the Deputy CEO-Banking and Deputy CEO-Finance and Administration. The roles of Chairman and Chief Executive Officer are separate with a clear division of responsibilities between them.

Functions of the Board

In accordance with the enactment Act, Ghana Export-Import Bank Act, 2016 (Act 911), the Board shall:

- formulate policies necessary for the achievement of the object of the Bank;
- ensure the proper and effective performance of the functions of the Bank;
- be responsible for the supervision of the management and affairs of the Bank and the performance of any other functions conferred on the Board by any other provision of the Act;
- support the national policy and programmes related to the Bank to achieve the object of the Bank;
- ensure accountability of the Bank by defining appropriate procedures for its management; and
- perform any other function that is incidental to the achievement of the object of the Bank.

The Board meets at least once every quarter but may hold extraordinary meetings as the business of the Bank demands.

Committees

The Board is empowered by the Ghana Export-Import Bank Act, 2016 (Act 911) to establish committees consisting of members of the Board or non-members or both to perform a function. The Board delegates certain functions to well-structured committees but without abdicating its own responsibilities. These Committees have been establised in accordance with statutory requirements and the Board Charter. Each Committee has well-defined terms of reference to guide its functions. The Committees consider only matters that fall within their purview to avoid decision overlaps. The Committees of the Board meet each quarter but may hold extraordinary meetings to address urgent issues that may arise.

The following are the Committees of the Board:

CORPORATE GOVERNANCE REPORT CONT'D

Board Credit and Investment Committee

The Committee comprises a Chairperson who is a Non-Executive Director, Four (4) other Non-Executive Directors and one (1) Executive Director/CEO as members. The Committee assists the Board in its responsibilities related to the oversight of the Bank's credit risk management policies, procedures, exposures and investment activities; and to consider issues that arise from them.

The composition of the Committee is as follow:

Name of Director		Position
Nana Sammy Osei-Bonsu	-	Chairman
Madam Catherine Quaidoo	-	Member
Mrs. Elsie Addo Awadzi	-	Member
Dr. Afua Asabea Asare	-	Member
Rev. Peter Kwame Abebrese	-	Member
Mr. Lawrence Agyinsam	-	Member

Board Risk Committee

The Committee comprises a Chairperson who is a Non-Executive Director, five (5) other Non-Executive Directors and one (1) Executive Director/CEO as members. The Committee assists the Board in its responsibilities related to the oversight of the Bank's risk management policies, procedures, exposures and investment activities; and to consider issues that arise from them.

The composition of the Committee is as follow:

Name of Director		Position
Mrs. Elsie Addo Awadzi	-	Chairperson
Rev. Peter Kwame Abebrese	-	Member
Madam Catherine Quaidoo	-	Member
Dr. Afua Asabea Asare	-	Member
Hon. Michael Okyere Baafi	-	Member
Nana Sammy Osei-Bonsu	-	Member
Mr. Lawrence Agyinsam	-	Member

Board Audit Committee

The Audit Committee consist of two (2) Non-Executive Directors together with one (1) representative from the Institute of Chartered Accountants, Ghana (ICAG) and two (2) representatives from the Internal Audit Agency (IIA). This is in accordance with Section 86 of the Public Financial Management Act, 2016 (Act 921), which requires that all government institutions establish Audit Committees in line with the Act. The Committee is mandated to ensure proper and effective financial management practices by providing oversight supervision of the financial reporting process, the audit process, the system of internal control and compliance with laws and regulations.

CORPORATE GOVERNANCE REPORT CONT'D

Members of the Committee are:

Name of Director		Position
Yaw Nimo Baffour	-	Chairman
Philomina Max-Bobie (Mrs.)	-	Member
Hayford Amoh	-	Member
Madam Catherine Quaidoo	-	Member
Hon. Michael Okyere Baafi	-	Member
Daniel Ashong	-	Co-opted
Isaac Amissah-Aidoo	-	Co-opted
Solomon Dsane	-	Co-opted

Board HR, IT and Administration Committee

The Committee consist of a Non-Executive Chairperson, three (3) other Non-Executive Directors and one (1) Executive Director/CEO. The Committee assists the Board by creating a strategic approach to manage the human resources and general administration of the Bank. The Committee also manages the Information Technology (IT) risks to the Bank's business objectives.

Members of the Committee are as follow:

Name of Director		Position
Hon. Michael Okyere Baafi	-	Chairman
Mr. Lawrence Agyinsam		Member
Nana Sammy Osei-Bonsu	-	Member
Rev. Peter Kwame Abebrese	-	Member
Madam Catherine Quaidoo	-	Member
Dr. Afua Asabea Asare	-	Member

Board Strategy & Governance Committee

The Committee consist of a Non-Executive Chairperson, four (4) other Non-Executive Directors and one (1) Executive Director/CEO. The Committee is responsible for ensuring the review of the effectiveness of the Board and Board Committees; reviewing the appointments and compensation of the executive and senior management and making recommendations to the Board for its consideration and approval.

Members of the Committee are as follow:

Name of Director		Position
Dr. Afua Asabea Asare	-	Chairperson
Rev. Peter Kwame Abebrese	-	Member
Nana Sammy Osei-Bonsu	-	Member
Hon. Michael Okyere Baafi	-	Member
Mr. Lawrence Agyinsam	-	Member
Mrs. Elsie Addo Awadzi		Member

Board Finance & Procurement Committee

The Committee consist of a Non-Executive Chairperson, four (4) other Non-Executive Directors and one (1) Executive Director/CEO. The Committee assists the Board in its responsibilities related to the oversight of the Bank's Finance and Procurement policies, procedures, and activities to ensure proper financial management.

CORPORATE GOVERNANCE REPORT CONT'D

Members of the Committee are as follow:

Name of Director		Position
Rev. Peter Kwame Abebrese	-	Chairman
Madam Catherine Quaidoo	-	Member
Hon. Michael Okyere Baafi	-	Member
Nana Sammy Osei-Bonsu	-	Member
Dr. Afua Asabea Asare	-	Member
Mr. Lawrence Agyinsam	-	Member

Schedule of attendance at Board Committee Meetings

Below is the schedule of attendance at Board Committee meetings during the year.

DIRECTORS	B	CIC	HIAC	SGC	FPC	AC	RC
Mr. Kwadwo Boateng Genfi	3	N/A	N/A	N/A	2	N/A	N/A
Hon. Michael Okyere Baafi	3	N/A	2	1	2	6	1
Nana Sammy Osei-Bonsu	3	4	1	2	2	N/A	1
Mr. Peter Kwame Abebrese	3	4	2	1	2	N/A	1
Madam Catherine Quaidoo	3	4	2	N/A	2	8	1
Hon. Abena Osei Asare	3	N/A	N/A	N/A	N/A	N/A	N/A
Dr. Afua Asabea Asare	3	4	2	2	2	N/A	0
Mrs. Elsie Addo Awadzi	3	2	N/A	1	N/A	N/A	1
Mr. Lawrence Agyinsam	3	4	2	2	2	N/A	1

The Board (B), Credit and Investment Committee (CIC), HR, IT and Administration Committee (HIAC), Strategy & Governance Committee (SGC), Finance & Procurement Committee (FPC), Audit Committee (AC) and Risk Committee (RC).

N/A as used above implies 'Not applicable' that is, the Director in question was not a member of the stated committee and hence was not expected to attend the Committee meeting.

Other Committees

The Bank has in place, other standing management committees in addition to the afore-mentioned Committees. These include:

Executive Management Committee

The Bank has in place an Executive Management Committee which has oversight over management functions. It is chaired by the Chief Executive Officer. It also provides direction for the staff of the Bank and ensures effective and efficient use of the Bank's resources.

Asset and Liability Committee (ALCO)

The purposes of ALCO are the formation of an optimal structure of the Bank's balance sheet to provide the maximum profitability, limiting the possible risk level; control over the capital adequacy and risk diversification; execution of the interest policy; determination of the Bank's liquidity management policy; control over the state of the liquidity ratio and resources of the Bank.

CORPORATE GOVERNANCE REPORT CONT'D

Management Credit Committee (MCC)

The Management Credit Committee (MCC) reviews and recommends to the Board Committee on Credit for its consideration, credit policy direction including articulation of risk and return preferences at corporate level and for individual asset creating business units in the Bank. The Committee on an ongoing basis ensures compliance of the credit environment in the Bank with approved policies and framework. This Committee is chaired by the Chief Executive Officer. It meets at least once a month to deliberate on credit related issues affecting the Bank.

Membership includes Deputy Chief Executive Officer – Banking, Heads of Business Development & Projects, Finance & Accounts, Legal, Corporate Banking, SME Banking, Business Banking, Guarantee & Insurance.

Portfolio Quality Review Committee (PQRC)

The Committee monitors credit facilities from inception and as part of the monitoring process, the PQRC reviews all lending accounts with special emphasis on loan repayment and financial performance of cases that have shown early signs of default. This Committee is chaired by the Deputy Chief Executive Officer – Banking. The committee is made up of Deputy Chief Executive Officer – Banking, Heads of Business Development & Projects, Corporate Banking, SME Banking, Risk Management, Business Banking, Guarantees, Credit Risk Unit, Monitoring and Recovery.

Procurement Committees

The Bank has Entity Tender Committee (ETC), Tender Evaluation Panels and Tender Review Board in line with the Public Procurement Act, 2003 (Act 663) that ensures procurement procedures for goods, services and works have been adhered to as prescribed by the Public Procurement Act, 2003 (Act 663).

Systems of Internal Control

The Bank has well-established internal control systems for identifying, managing and monitoring risks. These are designed to provide reasonable assurance of the effectiveness of operations, reliability of financial reporting and compliance with applicable laws and regulations.

The Internal Control and the Internal Audit functions of the Bank play a key role in providing an objective view and continuing assessment of the effectiveness and efficiency of the internal control systems in the business. The systems of internal controls are implemented and monitored by appropriately trained personnel and their duties and reporting lines are clearly defined.

Code of Ethics

The Board is guided to maintain a strong ethical culture communicated in the Board Charter and the Oath of Confidentiality every member took on induction to the Board. Also, Management has communicated the principles in the Staff Manual to its employees in the discharge of their duties. This manual sets the professionalism and integrity required for business operations which covers compliance with the law, confidentiality, conflict of interest, bribery and strict adherence to these principles so as to eliminate the potential for illegal practice.

Conflict of Interest

Directors have a statutory duty in terms of the Ghana Export-Import Bank Act, 2016 (Act 911) not to place themselves in a position which gives rise to a real or substantial possibility of conflict of interest or duty in relation to any matter which is, or is likely to be brought, before the Board.

CORPORATE GOVERNANCE REPORT CONT'D

Shares of the Bank held by Directors and other Related Parties

No Director or related party held shares as at 31 December 2022.

Independent External Evaluation of the Board

In accordance with Corporate Governance best practices, the Bank conducted an independent external evaluation of the Board. The aim of the evaluation is to assist the Board in improving its effectiveness. The Board engaged a competent professional firm for the exercise to appraise the Board and its members for the period. The scope of the engagement included roles and responsibilities, competencies, structure and composition, processes and relationships, and other key governance issues.

TO THE MEMBERS OF GHANA EXPORT-IMPORT BANK

Opinion

We have audited the financial statements of Ghana Export-Import Bank, ("the Bank") which comprise the statement of financial position as at December 31, 2022 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, which includes summary of significant accounting policies and other explanatory notes as set out on pages 15 to 58.

In our opinion, the financial statements of Ghana Export-Import Bank present fairly, in all material respects, the financial position of the Bank as at December 31, 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Ghana Export-Import Bank Act, 2016 (Act 911).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the Code) issued by the International Ethics Standards Board for Accountants (IESBA) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There were no matters to be reported under this section of the report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work that we have performed, we conclude that there is a material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal controls as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are required to communicate with the board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

The Audit Service Act, 2000 (Act 584) requires that in carrying out our audit work we consider and report on the following matters.

We confirm that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit;
- in our opinion proper books of account have been kept by the Bank, so far as appears from the examination of those books;
- the Bank's financial statements are in agreement with the books of account.

With respect to the provisions of the Foreign Exchange Act, 2006 (Act723), we did not identify any instances of non-compliance based on procedures we performed.

The engagement partner on the audit resulting in this independent auditor's report is **Robert Nyarkoh (ICAG/P/1534)**

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CFA & Associates (ICAG/F/2022/264)
(Chartered Accountants)
Republic House, Opposite CocoBoard, Accra
P. O. Box GP 428, Accra.

19/05/…………………………………………………2023

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DEC. 2022

	Note	2022 GH¢	2021 GH¢
Interest Income	7	295,308,895	206,434,137
Funding Cost	8	(89,833,688)	(29,450,717)
Net Interest Income		***205,475,207***	***176,983,420***
Fees and Commission	9	6,112,619	5,817,925
Net Trading Income	10	7,599,067	245,521
Other Operating Income	11	-	190
Total Operating Income		***219,186,893***	***183,047,056***
Personnel Expenses	12	(89,734,024)	(61,627,723)
Depreciation and Amortization	13	(14,582,215)	(16,807,239)
Other Expenses	14	(50,928,688)	(44,349,577)
		63,941,966	***60,262,517***
Impairment Charge on Financial Assets	15	(19,482,860)	(16,169,227)
Profit/(Loss) Before Taxation		***44,459,106***	***44,093,290***
Income Tax Expense		-	-
Net Profit After Taxation		***44,459,106***	***44,093,290***
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		***44,459,106***	**44,093,290**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 GH¢	2021 GH¢
ASSETS			
Cash and Cash Equivalents	16	42,088,550	29,005,582
Restricted Cash	17	239,001,083	177,576,618
Investment Securities (Money Market)	18	48,057,496	83,797,175
Loans and Advances to Customers (Net)	19	1,266,786,158	1,277,306,122
Investments (Other than Money Market)	20	10,000,000	10,000,000
Other Assets	21	35,322,438	90,418,232
Property, Plant and Equipment	22	302,066,858	293,709,376
Intangible Assets-Computer Software	23	83,382,668	1,174,235
TOTAL ASSETS		**2,026,705,251**	**1,962,987,340**
LIABILITIES			
Held for Government	24	755,906,774	730,062,166
Borrowing	25	456,737,657	471,261,665
Accounts Payable and Other Liabilities	26	38,467,302	30,529,097
Total Liabilities		***1,251,111,733***	***1,231,852,928***
EQUITY			
Stated Capital	27	50,000,000	50,000,000
Retained Earnings		616,654,462	576,526,720
Regulatory Credit Risk Reserve	28	35,337,377	53,235,566
General Reserve Fund	29	73,601,679	51,372,126
Total Shareholder's Funds		***775,593,518***	***731,134,412***
TOTAL LIABILITIES AND EQUITY		**2,026,705,251**	**1,962,987,340**

Mr. Lawrence Agyinsam
(CEO)

18/05/2023

Date

Mr. Kwadwo Boateng Genfi
(Board Chairman)

18/5/2023

Date

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DEC. 2022

2022	Stated Capital GH¢	Retained Earnings GH¢	Credit Risk Reserve GH¢	General Reserve Fund GH¢	Total GH¢
Balance as at 1 Jan. 2022	50,000,000	576,526,720	53,235,566	51,372,126	731,134,412
Profit for the year	-	44,459,106	-	-	44,459,106
Transfer to credit risk reserve	-	17,898,189	(17,898,189)	-	-
Transfer to General Reserve Fund	-	(22,229,553)	-	22,229,553	-
Balance At Dec. 2022	**50,000,000**	**616,654,462**	**35,337,377**	**73,601,679**	**775,593,518**

2021					
Balance as at 1 Jan. 2021	50,000,000	564,212,833	43,502,808	29,325,481	687,041,122
Profit for the year	-	44,093,290	-	-	44,093,290
Transfer to credit risk reserve	-	(9,732,758)	9,732,758	-	-
Transfer to General Reserve Fund	-	(22,046,645)	-	22,046,645	-
Balance At Dec. 2021	**50,000,000**	**576,526,720**	**53,235,566**	**51,372,126**	**731,134,412**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 GH¢	2021 GH¢
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before Taxation		44,459,106	44,093,290
Adjustments For:			
Depreciation and Amortization	14	14,582,215	16,807,239
Gain on Disposal of Property and Equipment		-	(190)
Impairment on Financial Assets		(49,852,866)	63,796,185
Exchange Loss on Borrowing		129,310,831	(11,319,360)
Profit Before Working Capital Changes		***138,499,286***	***113,377,164***
Changes in Loans and Advances to Customers	19	60,372,830	(97,656,314)
Changes in Other Assets	21	55,095,794	(43,987,952)
Changes in Held for Government	24	25,844,608	130,002,586
Changes In Other Liabilities And Provisions	26	7,938,205	(5,764,300)
Changes in Money Market Instruments	18	35,739,679	45,240,877
Changes in Restricted Cash	17	(61,424,465)	(22,753,884)
Net Cash Generated from / (Used in) Operating Activities		**262,065,937**	**118,458,177**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property and Equipment		(22,446,977)	(15,200,785)
Purchase of Intangible Assets		(82,701,153)	-
Proceeds from the Sale of Property and Equipment		-	190
Net Cash Used In Investing Activities		**(105,148,130)**	**(15,200,595)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowing		-	-
Loan Repayment		(143,834,839)	(116,611,933)
Net Cash (Used in)/Generated from Financing Activities		**(143,834,839)**	**(116,611,933)**
Net (Decrease)/Increase In Cash and Cash Equivalent		13,082,968	(13,354,351)
Cash and Cash Equivalents At 1 January	16	29,005,582	42,359,933
Cash and Cash Equivalent at 31 December		**42,088,550**	**29,005,582**

ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	01/01/2022 GH¢	Change During the Period GH¢	31/12/2022 GH¢
Cash	75,345	23,569	98,914
Bank Balances	28,930,237	13,059,399	41,989,636
Cash and Cash Equivalents at 31 Dec.	**29,005,582**	**13,082,968**	**42,088,550**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DEC. 2022

1. REPORTING ENTITY

Ghana Export-Import Bank is a financial institution incorporated in Ghana. The registered office of Ghana Export-Import Bank is located at Africa Trade House, Ambassadorial Enclave, Liberia Road, Accra, Ghana. Ghana Export-Import Bank operates under The Ghana Export-Import Bank Act, 2016 (Act 911).

2. BASIS OF PREPARATION

a. Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB)

b. Basis of Measurement

The Financial Statements are presented in Ghana Cedis, which is Ghana Export-Import Bank's functional currency, rounded to the nearest cedi. They are prepared on the historical cost basis except for financial assets and liabilities that are measured at fair value through profit or loss which are stated at their fair values

c. Use of Estimates and Judgement

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) requires management to make judgement, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the notes to the financial statements.

(i) Impairment losses on loans and advances

The Bank reviews its loan portfolios to assess impairment regularly. In determining whether an impairment loss should be recorded in the income statement, the Bank
makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans, before a decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in the Bank, or national or local economic conditions that correlate with defaults on assets in the Bank.

Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows.

(ii) Determining Fair Values

A number of the Bank's accounting policies and disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities. The Bank regularly reviews significant unobservable inputs and valuation judgements. When measuring the fair value of an asset or a liability, the Bank uses market observable data as far as possible.

(iii) Useful life of Property Plant and Equipment

The Bank's management determines and reviews the estimated useful lives of property, plant and equipment and related depreciation charges. The rates applied are set out in note 3 Changes in the estimate in the future years might affect the carrying amounts of associated property, plant and equipment with corresponding effects on the depreciation and impairment.

(iv) Contingencies

The assessment of contingencies inherently involves the exercise of significant judgement as the outcome of the future event cannot be predicted with certainty. The Bank, based on the availability of latest information, estimates the value of contingent assets and liabilities, which may differ on the occurrence/non-occurrence of the uncertain future event(s).

d. Segment Reporting

The Bank has elected not to provide segmental information in the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently for the period presented in these financial statements by the Bank

a. Revenue Recognition

For the purposes of revenue recognition, the Bank fully takes into account the provisions of IFRS 15 which establishes a comprehensive framework for determining whether the criteria for revenue recognition has been met, how much and when revenue is to be recognised. Revenue is recognised to depict the transfer of promised services to customers in an amount that reflects the consideration to which the Bank expects to be entitled in exchange for the services.

This core principle is achieved through a five-step methodology as required to be applied to all contracts with customers.

- (i) The Bank determines whether a contract exists between the Bank and a customer
- (ii) Performance Obligations of the contract are identified
- (iii) The transaction price is determined (the amount the Bank expects to be owed for the service it has delivered.
- (iv) The transaction price is allocated to each of the performance obligations identified in the contract
- (v) The Bank recognise performance obligations that are satisfied.

b. Interest Income and Expense

Interest income and expenses for all interest-bearing financial instruments except for those that are held for trading or designated as fair value through profit and loss are recognised within interest income and interest expense in the income statement using the effective interest method. The effective interest rate is the rate that discounts estimated future receipts or payments through the expected life of the financial instruments or, when appropriate, a shorter year, to the net carrying amount of the financial asset or financial liability.

The effective interest rate is established on initial recognition of the financial asset or liability. When calculating the effective interest rate; the Bank estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees received or paid between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Transactions costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Interest income includes interest on loans and advances and placements with other banks, and is recognised in the period in which it is earned.

c. Fees and Commission

Fees and commission income and expenses that are an integral part of the effective interest rate on financial instruments are included in the measurement of the effective interest rate. Other fees and commission income are recognised as the related services are performed. Loan commitment fees that are not likely to be drawn are deferred and recognised as an adjustment to the effective interest rate on the loan.

Other fees and commission expenses related mainly to the transaction and service fees, are expensed as the services are received.

d. Foreign Currency Transactions

The Bank's foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognized in the income statement. Non-monetary assets and liabilities are translated at historical exchange rates if held at historical cost, exchange rate at the date fair value was determined if held at fair value, and the resulting foreign exchange gains and losses are recognized in the income statement or shareholder's equity as appropriate.

e. Employee Benefits

Defined Contribution Plans

Defined contribution plans are post-employment benefit plans under which the Bank pays fixed contributions into a separate fund and has no legal or contractual obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The Bank contributes to the contributory three-tier pension scheme consisting of a mandatory basic national social security scheme, a mandatory fully funded and privately managed occupational pension scheme and a voluntary fully funded and privately managed provident fund and personal pension scheme in accordance with the National Pensions Act,2008 (Act 766). The obligations under the tier-one and tier-two schemes are limited to specific contributions legislated from time to time and are currently an amount equal to 13.5% and 5% of an employee's basic salary per month respectively. The contributions to the above schemes are 13% by the employer (i.e., the Bank's obligation) and 5.5% by the employee. The schemes are funded by contributions from both the employees and employer. Benefits are paid to retiring staff in accordance with the scheme rules.

The Bank also has a Provident Fund Scheme for all employees who have completed their probation period with the Bank. Employees contribute 5% of their basic salary to the Fund whilst the Bank contributes 10%. Obligations under the plan are limited to the relevant contributions, which are settled on due dates to the fund manager.

Obligations for contributions to defined contribution plans are recognised as an expense in the statement of comprehensive income when they are due.

Short-Term Benefits

Short-term employee benefits are amounts payable to employees that fall due wholly within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term employee benefits are recognised as an expense in the period when the economic benefit is given, as an employment cost. Unpaid short-term employee benefits as at the end of the accounting period are recognised as an accrued expense and any short-term benefits paid in advance are recognised as prepayments.

Wages and salaries payable to employees are recognised as an expense in the statement of comprehensive income at gross. The Bank's contribution to social security fund is also charged as an expense.

Termination Benefits

Termination benefits are recognised as an expense when the Bank is demonstrably committed, without a realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the Bank has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptance can be estimated reliably.

Provision for employee entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave accrued at the balance sheet date.

f. Property, Plant and Equipment

(i) Recognition and Measurement

Items of property, plant and equipment are measured at cost or as revalued amounts from time to time less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. When part of an item of property, plant and equipment has different useful lives, they are accounted for as separate items (major components).

(ii) Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the income statement as incurred. Increases in the carrying amount arising on revaluation are credited to a revaluation surplus. Decreases that offset previous increases of the same asset are charged against the revaluation surplus. All other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of an asset (the depreciation charged to the income statement) and depreciation based on the asset's original cost is transferred from the revaluation surplus to revenue reserves. The Bank's policy is to professionally revalue property at least once every five years.

(iii) Depreciation

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Freehold land is not depreciated as it is deemed to have an indefinite life. Depreciation is computed using the following annual rates:

Buildings on long leasehold land	2%
Buildings on short term leasehold land	over unexpired period of the lease
Computers	33.33%
Motor Vehicles	25%
Equipment, Furniture and Fixtures	25%

Depreciation methods, useful lives and carrying amounts are reassessed at each reporting date. The carrying amounts of property, plant and equipment are assessed whether they are recoverable in the form of future economic benefits.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds from disposal with the carrying amount of property, plant and equipment and are recognized in the income statement as other income.

g. Impairment of Non-financial Assets.

The carrying amount of the Bank's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset. Impairment losses are recognised in the income statement.

Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

h. Intangible Assets

Intangible Assets acquired by the Bank are measured at cost less accumulated amortization and accumulated impairment losses.

Computer Software

Generally, costs associated with developing computer software programmes are recognised as an expense when incurred. However, costs that are clearly associated with an identifiable and unique product, which will be controlled by the Bank and has a probable benefit exceeding the cost beyond one year, are recognised as an intangible asset. Expenditure which enhances and extends computer software programmes beyond their original specifications and lives is recognised as a capital improvement and added to the original costs of the software.

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Amortization is calculated on a straight-line basis over the estimated useful lives not exceeding a period of 3 years. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

i. Assets Held for Sale

Assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Assets classified as held for sale are measured at the lower of the assets' previous carrying amount and fair value less costs to sell.

j. Unquoted Investments

Unquoted investments are stated at cost less impairment loss where applicable.

k. Stated Capital (Ordinary Share Capital)

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

l. Financial Assets and Liabilities

(i) Initial Measurement of Financial Instruments

Financial asset or liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and Measurement categories of financial assets and liabilities
From 1 January 2018, the Bank has classified all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost.
- Fair value through other comprehensive income (FVOCI).
- Fair Value through Profit or Loss (FVPL)

The Bank may designate financial instruments at FVPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies. Before January 1, 2018, the Bank classified its financial assets as loans and receivables (amortised cost), FVPL, available-for-sale or held-to-maturity (amortised cost). Financial liabilities, other than loan commitments and financial guarantees, are measured at amortised cost or at FVPL when they are held for trading and derivative instruments or the fair value designation is applied.

The Bank only measures due from banks and other financial institutions, loans and advances to customers and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below:

NOTES TO THE FINANCIAL STATEMENTS CONT'D

Business Model Assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Bank's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as: How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel, the risks that affect the performance of the business model (and the financial assets held within that business model) and; in particular, the way those risks are managed How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected), the expected frequency, value and timing of sales are also important aspects of the Bank's assessment.

The Solely Payments of Principal and Interest (SPPI) Test

As a second step of its classification process, the Bank assesses the contractual terms of financial instruments to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

(iii) Financial Assets or Financial Liabilities Held for Trading

The Bank classifies financial assets or financial liabilities as held for trading when they have been purchased or issued primarily for short-term profit-making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for trading assets and liabilities are recorded and measured in the statement of financial position at fair value. Changes in fair value are recognised in net trading income.

(iv) Debt Issued and Other Borrowed Funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the (effective interest rate (EIR).

(v) Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss

Financial assets and financial liabilities in this category are those that are not held for trading and either designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9.

(vi) Derecognition of Financial Assets and Liabilities

Derecognition due to substantial modification of terms and conditions
The Bank derecognizes a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for expected credit loss (ECL) measurement purposes.

When assessing whether or not to derecognize a loan to a customer, amongst others, the Bank considers the following factors: Change in currency of the loan, Introduction of an equity feature, Change in counterparty, If the modification is such that the instrument would no longer meet the SPPI criterion If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition.

Based on the change in cash flows discounted at the original EIR, the Bank records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when the rights to receive cash flows from the financial asset have expired. The Bank also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

m. Impairment of Financial Assets

Impairment of financial assets is based on a forward-looking Expected Credit Loss (ECL) model as required by IFRS 9. The ECL allowance is based on the credit losses expected to arise over the life of the asset, the lifetime expected credit loss (LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12m ECL).

The Bank's policies for determining if there has been a significant increase in credit risk are set out in the financial statement. The 12m ECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated either on an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

For the purposes of impairment, the Bank groups its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Bank recognizes an allowance based on 12mECLs. Stage 1 is the default stage, when no Significant Increase in Credit Risk (SICR) since initial recognition. The Bank assigns Stage 1 when accounts that are identified as Low Credit Risk (LCR) or accounts, for which none of the Stage 2 or Stage 3 triggers are active and that are not currently subject to probation periods for backward transition.

The LCR threshold is an expedient, which can be used for accounts that are associated with a very low risk of default. It is noteworthy that the expedient is regarding the default risk only, disregarding the actual magnitude of loss, so that aspects such as collateralization are not relevant in setting the LCR threshold.

LCR entities can be placed in Stage 1 without ongoing staging assessment. However, in the rare case that the entity's rating falls below the threshold, it should be removed from the LCR list and be subject to a regular staging assessment.
Any instrument deemed to have LCR is automatically placed in Stage 1 and 12-Month ECL is computed for such an instrument. As long as an instrument is classified as LCR, SICR assessment need not be done on every reporting date. The LCR expedient is used for investments in Government of Ghana backed instruments with a very LCR. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

Stage 2: Staged 2 are loans with a significant increase of Credit Risk (SICR) since origination – Impairments equal to lifetime expected loss Stage 2 mostly consists of facilities that have undergone SICR since initial recognition. For all Stage 2 exposures, Lifetime Expected Credit Loss is recognized, which might have a significant impact on the overall ECL of the performing facilities.

A facility is assigned to Stage 2 based on qualitative, quantitative and backstop criteria. Loans are assigned to Stage 2 based on the following criteria:
If the account is over 30 Days Past Due (DPD) on the reporting date
Account has been placed on a watch list based on the Bank's credit review procedures
If the credit quality of an exposure since origination has deteriorated beyond a certain threshold resulting in a rating downgrade
The account has been restructured/rescheduled at least once in 12 months (reporting date-restructured date)
If the account went over 60 DPD at least 2 times in past 12 months.

Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Stage 3 Loans are loans considered credit-impaired. This include:
Such loans that have already been identified to be over 90 DPD.
Cross default- i.e. if one account of a customer is in Stage 3, all other accounts of the customer are placed into Stage 3 (except cases where payments are ring-fenced).

The Bank records an allowance for the LTECLs for all stage 3 loans. The Bank only classifies a loan as a Stage 3 asset only when the facility has been fully disbursed by the Bank.

Financial guarantee contracts: The Bank's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortization recognised in the statement of comprehensive income, and the ECL provision. For this purpose, the Bank estimates ECLs based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The shortfalls are discounted by the risk-adjusted interest rate relevant to the exposure. The ECLs related to financial guarantee contracts are recognised within provisions.

The Calculation of ECLs

The Bank calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

Collateral Valuation

To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/ guarantees, real estate, receivables, inventories, other nonfinancial assets and credit enhancements such as netting agreements. The Bank's accounting policy for collateral assigned to it through its lending arrangements under IFRS 9 is the same as it was under IAS 39. Collateral, unless repossessed, is not recorded on the Bank's statement of financial position. However, the fair value of collateral affects the calculation of ECLs.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

n. Financial Guarantees, Letters of Credit and Undrawn Loan Commitments

The Bank issues financial guarantees, letters of credit and loan commitments. Financial guarantees are initially recognised in the financial statements (within provisions) at fair value, being the premium received. Subsequent to initial recognition, the Bank's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortization recognised in the statement of comprehensive income, guarantee, and an ECL provision as set out in the financial statement

The premium received is recognised in the statement of comprehensive income in Net fees and commission income on a straight-line basis over the life of the guarantee.

Undrawn loan commitments and letters of credits are commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer. These contracts are within the scope of the ECL requirements of IFRS 9. The nominal contractual value of financial guarantees, letters of credit and undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the statement of financial position. The nominal values of these instruments together with the corresponding ECLs are disclosed in the financial statement.

o. Loans and Advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Bank provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and advances are recognized when cash is advanced to borrowers.

Subsequent to initial recognition, loans and advances to customers are stated on the statement of financial position at amortised cost using the effective interest method less impairment losses. The amortization is included in 'Interest and similar income' in the statement of comprehensive income and losses arising from impairment are recognised in the statement of comprehensive income in 'Credit loss expense'.

p. Cash and Cash Equivalents

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, deposits held with banks and other short-term highly liquid investments with original maturities less than three months.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

q. Investment Securities

This comprises investments in treasury bills, bonds and term deposits with other financial institutions.

Investments in Securities are initially measured at fair value plus any incremental increases in transaction cost. Subsequent measurement of investments in securities is dependent on their classification as hold to collect or hold to sell.

r. Provisions

A provision is recognised if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

s. Contingent Liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured.

Letters of credit, acceptances, guarantees and performance bonds are generally written by the Bank to support performance by a customer to third parties. The Bank will only be required to meet these obligations in the event of the customer's default. These obligations are not recognised but are accounted for as off-balance sheet transactions and disclosed as contingent liabilities.

t. Financial Guarantees

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantees are initially recognised at their fair value being the premium received, and the fair value is amortised over the life of the financial guarantee. The financial guarantees are subsequently carried at the higher of the amount initially recognised less cumulative amortization recognised in profit or loss, and the best estimate of the expenditure required to settle any financial obligation arising as a result of the guarantee. Any increase in the liability is recorded in profit or loss. The premium received in the Statement of Comprehensive Income in net fees and commission income on a straight-line basis over the life of the guarantee.

u. Repurchase Agreement Transactions

Securities purchased from the Bank of Ghana under agreements to resell (reverse repos), are disclosed as balances with the Central Bank of Ghana as they are held to maturity after which they are repurchased and are not negotiable/discounted during the tenure. The difference between the sale and repurchase price is treated as interest and accrued over the life of the repurchase agreement using the effective yield method.

v. Leases

At the inception of a contract, the Bank assesses whether the contract is, or contains a lease.

A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Throughout the period of use, the right to obtain substantially all of the economic benefits from the use of the identified assets and the use of identified assets must rest with the Bank for it to be qualified as a lease.

Initial Recognition

At the commencement of a lease, the Bank recognizes a right-of-use asset and a lease liability.

Lease Liability

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if the rate can be readily determined, if not, the lessee's incremental borrowing cost.

Right-of-use Asset

Right–of–use asset is measured at cost. The cost of the right-of-use asset comprises the initial measurement of lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct cost incurred by the Bank and an estimate of costs to be incurred by the Bank in dismantling and removing the underlying asset or restoring the underlying asset to the condition required by terms and conditions.

Subsequent measurement

Lease Liability

After the commencement date, the Bank measures the lease liability by reducing the carrying amount to reflect lease payments made, increasing the carrying amount to reflect interest on the lease liability and re-measuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use asset

After the commencement date, the Bank measures the right to use asset applying a cost model. The asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of lease liability.

Bank as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Bank's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Bank's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease terms.

w. Fiduciary Activities

Assets and income arising thereon together with related undertakings to return such assets to customers are excluded from these financial statements where the bank acts in a fiduciary capacity such as nominee, trustee or agent.

x. *Comparatives*

Except when a standard or an international interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information. Where necessary, the comparative information has been restated to agree to the current year's presentation.

y. Segmental Reporting

A segment is a distinguishable component of the Bank that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

z. Events after the Reporting Period

Events subsequent to the balance sheet date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material. The Bank adjusts the amounts recognised in its financial statements to reflect events that provide evidence of conditions that existed at the end of the reporting period.

Where there are material events that are indicative of conditions that arose after the reporting period, the Bank discloses, by way of note, the nature of the event and the estimate of its financial effect, or the statement that such an estimate cannot be made.

aa. Dividends

Dividends are charged to equity in the period in which they are declared. Proposed dividends are not accrued until they have been approved at the Annual General Meeting.

bb. Earnings Per Share

The Bank presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. The Bank has no convertible notes and share options, which could potentially dilute its EPS and therefore the Bank's basic and diluted EPS are essentially the same.

4. FINANCIAL RISK MANAGEMENT

Taking risk is core in the business of banking. In the performing of its statutory duties, the Bank analyses, evaluates and assumes positions of taking calculated risks. The degree of risk management taken on by the Bank is meant to be within what it can comfortably manage. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on its financial performance. The most important types of risk faced by the Bank include:

- Credit Risk
- Liquidity Risk
- Market Risk(i.e., risk related to currency trading, interest rate and other price risks)
- Operational Risk
- Compliance Risk

4(a) Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The board has established a Credit and Investment Committee and a Risk Committee for the management of risk in the Bank. The Committees oversee the activities of the Risk Management Department which assists it in the discharge of this responsibility. The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

Through the compliance function, the Bank ensures it complies with all regulatory guidelines in the pursuit of profitable banking opportunities while avoiding excessive, unnecessary and uncontrollable risk exposures. Risk is an inherent feature in the business of the Bank, therefore various mitigating measures are put in place to better manage risk.

All risk management policies are formulated at the board level through the Board Committees on Risk and Credit and Investment. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations. The Committees are responsible among other things for authorizing the scope of the risk management function and renewing and assessing the integrity of the risk control systems, ensuring that the risk policies and strategies are effectively managed.

4(b) Credit Risk

Credit risk is the risk of potential financial loss to the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Bank's loans and advances to customers and other banks as well as investment securities. For risk management reporting purposes, the Bank considers and consolidates all elements of credit risk exposure.

4(b) (i) Management of Credit Risk

The Board's Risk and Credit and Investment Committees manage the risk of the Bank with the assistance of the various management risk committees. The committees fundamentally:

- Sets out the nature, role, responsibility and authority of the risk management function within the Bank and outlines the scope of the risk management function.
- Reviews and assesses the integrity of the risk control systems and ensures that the risk policies and strategies are effectively managed.
- Provides an independent and objective oversight and reviews the information presented by Management and the Audit Committee to the Board on financial, business and strategic risk issues.
- Adopts the principles of governance and codes of best practice.
- Reviews the decisions of the Management Credit Approval Committee and Asset-Liability Management Committee (ALCO) on a quarterly basis.
- Assists the board to determine the maximum mandate levels for the various credit sanctioning bodies.

The purpose of the Board's Risk and Credit and Investment Committees is to:

- Oversee the credit risk function of the Bank to ensure a healthy credit portfolio
- Ensure that the bank exercise due care in the use of credit authority
- Approve/decline credit applications above the limit of the Management
- Set and determine the Bank's credit policy and general risk climate of the Bank
- Review on a quarterly basis the monitoring of policy compliance, compliance of portfolio against standards and recommend for appropriate remedial action to be taken
- Ensure key triggers are kept under review and stress tests on the portfolio are conducted whenever significant changes occur or are anticipated.
- Agree portfolio targets, industry and credit grading concentrations
- Determine, in tandem with ALCO, market and product pricing based on risk-adjusted return
- Ensure compliance with regulatory requirements in credit delivery.

Internal Credit Risk Rating

In order to minimize credit risk, the Bank has tasked its credit department to develop and maintain the Bank's credit risk grading to categorise exposures according to their degree of risk of default. The credit rating information is based on a range of data that is determined to be predictive of the risk of default and applying experienced credit judgement. The nature of the exposure and type of borrower are taken into account in the analysis. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

The credit risk grades are designed and calibrated to reflect the risk of default as credit risk deteriorates. As the credit risk increases the difference in risk of default between grades changes.

The Bank uses credit risk grades as a primary input into the determination of the term structure of the PD for exposures. The Bank collects performance and default information about its credit risk exposures analysed by type of product and borrower as well as by credit risk grading.

The Bank uses different criteria to determine whether credit risk has increased significantly per portfolio of assets. The criteria used are both quantitative changes in PDs as well as changes in qualitative factors. The internal risk grading scale is as follows:

Banks Rating	Description of the grade	Average number of days outstanding
Grade A	Low to fair risk	Less than 90 days
Grade B	Higher risk	91 days but less than 120 days
Grade C	Sub-standard	121 days but less than 180 days
Grade D	Doubtful	181 days but less than 360 days
Grade E	Loss	360 days and above

2022 (Loans & Advances to Customers)

Grades	Stage 1GH¢	Stage 2 GH¢	Stage 3 GH¢	Total GH¢	2021 GH¢
Grade A	1,025,612,336	-	-	1,025,612,336	977,284,638
Grade B	-	155,716,663	-	155,716,663	153,147,425
Grade C	-	-	191,447,712	191,447,712	201,684,325
Grade D	-	-	15,260,138	15,260,138	15,227,236
Grade E	-	-	40,039,115	40,039,115	141,105,170
	1,025,612,336	***155,716,663***	***246,746,965***	***1,428,075,964***	***1,488,448,794***
Loss Allowance	(67,123,788)	(18,036,566)	(76,129,452)	(161,289,806)	(211,142,672)
Carrying Amount	**958,488,548**	**137,680,097**	**170,617,513**	**1,266,786,158**	**1,277,306,122**
2021					
Grade A	977,284,638	-	-	977,284,638	965,874,150
Grade B	-	153,147,425	-	153,147,425	103,462,946
Grade C	-	-	201,684,325	201,684,325	191,676,952
Grade D	-	-	15,227,236	15,227,236	14,445,236
Grade E	-	-	141,105,170	141,105,170	115,333,196
	977,284,638	***153,147,425***	***358,016,731***	***1,488,448,794***	***1,390,792,480***
Loss Allowance	(9,468,949)	(15,314,742)	(186,358,981)	(211,142,672)	(147,346,487)
Carrying Amount	**967,815,689**	**137,832,683**	**171,657,750**	**1,277,306,122**	**1,243,445,993**

At 31 December 2022, the Bank's loans and advances were categorised under IFRS 9 as follows:

- Stage 1 – At initial recognition - Performing
- Stage 2 – Significant increase in credit risk since initial recognition - Underperforming
- Stage 3 – Credit impaired – Non-performing

Key Loans and Advances Ratio

i. Loan loss provision ratios is 11.29% (2021: 14.19%).
ii. Percentage of gross non – performing loans with respect to Bank of Ghana Prudential Norms (individually impaired) to total gross loans and advances is 17.28% (2021: 24.05%).
iii. Ratio of fifty (50) largest exposure (gross funded) to total exposure is 92.40% (2021: 83.86%).

NOTES TO THE FINANCIAL STATEMENTS CONT'D

Ageing analysis of past due but not impaired gross financial instruments

	2022 GH¢	2021 GH¢
Up to 90 days	72,601,424	71,632,861
Up 180 days	83,115,239	81,514,564
Total	**155,716,663**	**153,147,425**
On-balance sheet items		
Deposits Due from Financial Institutions	48,153,804	83,965,105
Loans and Advances to Customers: Individuals	10,905,401	10,367,541
Loans and Advances to Customers: Corporate Entities	1,417,170,563	1,478,081,253
	1,476,229,768	**1,572,413,899**
Off-balance sheet items		
Letters of guarantee	127,450,009	-

The Bank does not perceive any significant credit risk on the following financial assets:

- Balances with the Central Bank of Ghana.
- Off-balance sheet items

Classification of Loans and Advances

The table below represents the maximum credit risk exposure to the Bank at 31 December 2022, and after taking into account provision for impairment.

Loan and advances to customers

2022	**Gross Amounts GH¢**	**Impairment Allowance GH¢**	**Net Amounts GH¢**
Past Due and Impaired	246,746,965	76,129,452	170,617,513
Past Due but not Impaired	155,716,663	18,036,566	137,680,097
Neither Past Due/ Impaired	1,025,612,336	67,123,788	958,488,548
Total	**1,428,075,964**	**161,289,806**	**1,266,786,158**
2021			
Past Due and Impaired	358,016,731	186,358,981	171,657,750
Past Due but not Impaired	153,147,425	15,314,742	137,832,683
Neither Past Due/ Impaired	977,284,638	9,468,949	967,815,689
Total	**1,488,448,794**	**211,142,672**	**1,277,306,122**

Collateral Held

The Bank holds collateral against loans and advances to customers in the form of cash, mortgage interests over property, other registered securities over assets, and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing and generally are not updated except when a loan is individually assessed as impaired.

Collateral generally is not held over interbank placements, except when securities are held as part of reverse repurchase and securities borrowing activity. Collateral usually is not held against investment securities and no such collateral was held at 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS CONT'D

Concentration of Risks

	2022 Gross Amounts	Percentage (%)	2021 Gross Amounts	Percentage (%)
Agriculture	544,215,925	38.11	636,077,065	42.73
Manufacturing	791,457,133	55.42	740,072,300	49.72
Commerce & Finance	9,626,251	0.67	29,528,950	1.98
Transport & Communication	-	0.00	2,110,084	0.14
Mining & Quarrying	-	0.00	1,441,854	0.10
Building & Construction	-	0.00	-	0.00
Services	71,871,258	5.03	68,850,999	4.63
Others	10,905,397	0.77	10,367,542	0.70
Total	**1,428,075,964**	**100**	**1,488,448,794**	**100.00**

Off-balance sheet items

Agriculture	120,000	0.09	-	-
Manufacturing	127,330,009	99.91	-	-
Total	**127,450,009**	**100**	**-**	**-**

Settlement Risk

The Bank's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of a bank to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For certain types of transactions, the Bank mitigates this risk by conducting settlements through a settlement/clearing agent to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations. Settlement limits form part of the credit approval/limit monitoring process. Acceptance of settlement risk on free settlement trades requires transaction-specific or counterparty specific approvals from the Bank's risk function.

4(c) Liquidity Risk

Liquidity risk represents whether an entity will encounter difficulty in meeting obligations associated with financial liabilities from its financial assets.

The Bank's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Bank's reputation.

The Treasury department maintains a portfolio of short-term liquid assets, largely made up of short-term liquid investment securities, loans and advances to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Bank as a whole.

4(c) (i) Exposure to Liquidity Risk

The key measure used by the Bank for managing liquidity risk is the ratio of net liquid assets to total liabilities. For this purpose, net liquid assets are considered as including cash and cash equivalents and investment-grade debt securities for which there is an active and liquid market less any debt securities and liabilities, other borrowings and commitments maturing within the next month.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

Residual Contractual Maturities of Financial Liabilities

The table below presents the cash flows payable by the Bank under non-derivative financial liabilities by the remaining contractual maturities at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows, whereas the Bank manages the inherent liquidity risk based on expected undiscounted inflows.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

6. LIQUIDITY RISK MANAGEMENT							
	Carrying	**Up to 1**	**1 to 3**	**3-12**			
December 2022	**Amount**	**Month**	**Months**	**months**	**1-5years**	**Over 5years**	**Total**
	GH¢	**GH¢**	**GH¢**	**GH¢**	**GH¢**	**GH¢**	**GH¢**
Financial Liabilities							
Held for Government	755,906,774		-	20,250,145	27,452,515	708,204,114	755,906,774
Borrowing	456,737,657	91,347,531	-	91,347,531	274,042,595	-	456,737,657
Other Liabilities	38,467,302	4,576,163	16,316,272	1,125,989	4,617,193	11,831,685	38,467,302
Total Financial Liabilities	**1,251,111,733**	**95,923,694**	**16,316,272**	**112,723,665**	**306,112,303**	**720,035,799**	**1,251,111,733**
Financial Assets							
Cash and Cash Equivalents	42,088,550	42,088,550	-	-	-	-	42,088,550
Restricted Cash	239,001,083	91,347,531	-	147,653,552	-	-	239,001,083
Invest Sec. (Money Market)	48,057,496	12,014,504	4,152,145	31,890,847	-	-	48,057,496
Loan & Advance to Customers (Net)	1,266,786,158	392,264,465	25,239,964	161,457,707	583,381,749	104,442,273	1,266,786,158
Investment Securities	10,000,000	-	-	-	-	10,000,000	10,000,000
Other Assets	35,322,438	-	-	14,025,545	21,296,893	-	35,322,438
Total Financial Assets	**1,641,255,725**	**537,715,050**	**29,392,109**	**355,027,651**	**604,678,642**	**114,442,273**	**1,641,255,725**
NET LIQUIDITY GAP	390,143,992	441,791,356	13,075,837	242,303,986	298,566,339	(605,593,526)	390,143,992
Total Financial Liabilities	1,251,111,733	95,923,694	16,316,272	112,723,665	306,112,303	720,035,799	1,251,111,733
Total Financial Assets	**1,641,255,725**	**537,715,050**	**29,392,109**	**355,027,651**	**604,678,642**	**114,442,273**	**1,641,255,725**
NET LIQUIDITY GAP	390,143,992	441,791,356	13,075,837	242,303,986	298,566,339	(605,593,526)	390,143,992
Off Balance Sheet							
Fin. Guarantee Contract	127,450,009	264,000	536,000	126,650,009	-	-	127,450,009

NOTES TO THE FINANCIAL STATEMENTS CONT'D

The Bank's cash flow may however vary significantly from this analysis. For example, government funding is maintained for longer periods than the contractual maturity dates hence the deposit base is considered to be of a stable and long-term nature.

December 2021 Financial Liabilities	Carrying Amount GH¢	Up to 1 Month GH¢	1 to 3 Months GH¢	3-12 months GH¢	1-5years GH¢	Over 5years GH¢	Total GH¢
Held for Government	730,062,166	-	-	-	-	730,062,166	730,062,166
Borrowing	471,261,665	67,323,095	-	67,323,095	336,615,475	-	471,261,665
Other Liabilities	30,529,097	407,598	3,512,372	15,065,000	11,544,126	-	30,529,097
Total Financial Liabilities	***1,231,852,928***	***67,730,693***	***3,512,372***	***82,388,095***	***348,159,601***	***730,062,166***	***1,231,852,928***
Financial Assets							
Cash and Cash Equivalents	29,005,582	29,005,582	-	-	-	-	29,005,582
Restricted Cash	177,576,618	-	-	177,576,618	-	-	177,576,618
Invest Sec. (Money Market)	83,797,175	9,973,089	32,017,509	41,806,577	-	-	83,797,175
Loan & Advance to Customers (Net)	1,277,306,122	225,046,394	25,882,900	147,556,318	764,158,776	114,661,734	1,277,306,122
Investment Securities	10,000,000	-	-	-	-	10,000,000	10,000,000
Other Assets	90,418,232	-	-	46,040,450	44,377,782	-	90,418,232
Total Financial Assets	***1,668,103,729***	***264,025,065***	***57,900,408***	***412,979,964***	***808,536,557***	***124,661,734***	***1,668,103,729***
NET LIQUIDITY GAP	**436,250,801**	**196,294,372**	**54,388,036**	**330,591,868**	**460,376,956**	**(605,400,432)**	**436,250,801**
As at 31 December 2021							
Total Financial Liabilities	1,231,852,928	67,730,693	3,512,372	82,388,095	348,159,601	730,062,166	1,231,852,928
Total Financial Assets	1,668,103,729	264,025,065	57,900,408	412,979,964	808,536,557	124,661,734	1,668,103,729
NET LIQUIDITY GAP	**436,250,801**	**196,294,372**	**54,388,036**	**330,591,868**	**460,376,956**	**(605,400,432)**	**436,250,801**
Off Balance Sheet							
Fin. Guarantee Contract	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS CONT'D

The previous table shows the undiscounted cash flows on the Bank's financial liabilities and unrecognized loan commitments on the basis of their earliest possible contractual maturity. The Bank's expected cash flows on these instruments vary significantly from this analysis. For example, unrecognized loan commitments are not all expected to be drawn down immediately. The gross nominal inflow/(outflow) disclosed in the previous table is the contractual, undiscounted cash flow on the financial liability or commitment.

4(d) Market risks

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will affect the Bank's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return on risk.

Management of market risks

Overall responsibility for the management of market risk rests with the Assets and Liabilities Committee (ALCO). The Risk Department is responsible for the development of detailed market risk management policies (subject to review and approval by ALCO) and for the day to day implementation of those policies.

4(d) (i) Interest rate risk

The Bank is exposed to the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The maturities of assets and liabilities and the ability to replace interest-bearing liabilities as they mature at an acceptable cost are important factors in assessing the Bank's exposure to changes in interest rates and liquidity.

Interest rates on advances to customers and other risk assets are pegged to the Bank's base lending rate. The base rate is adjusted from time to time to reflect the cost of funds.
The assets and liability committee closely monitors the interest rate trends to minimize the potential adverse impact of interest rate changes.
The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Bank.

The interest rate risks sensitivity analysis is based on the following assumptions: changes in the market interest rates affect the interest income or expenses of variable interest financial instruments;

- changes in market interest rates only affect interest income or expenses in relation to financial instruments with fixed interest rates if these are recognized at their fair value;
- the interest rate changes will have a significant effect on interest-sensitive assets and liabilities and hence simulation modelling is applied to net interest margins;
- the interest rates of all maturities move by the same amount and, therefore, do not reflect the potential impact on net interest income of some rates changing while others remain unchanged;
- the projections make other assumptions including that all positions run to maturity.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

a) Interest rate risk

December 2022	Less than 1 month	1 month Less than 3 months	3 months Less than 6 months	6 months Less than 1 year	1 Year less Than 5 years	Over 5years	Non-interest Bearing	Total
Financial Assets	**GH¢**	**GH¢**	**GH¢**	**GH¢**	**GH¢**	**GH¢**	**GH¢**	**GH¢**
Cash and Cash Equivalents							281,089,633	**281,089,633**
Investment Securities (Money Market)	12,014,504	4,152,145	12,044,426	19,846,421	-	-	-	**48,057,496**
Loans & advances to customers (net)	392,264,465	25,239,964	28,415,324	133,042,383	583,381,749	104,442,273		**1,266,786,158**
Investments (Other than Money market)	-	-	-	-	-	-	10,000,000	**10,000,000**
Total Financial Assets	**404,278,969**	**29,392,109**	**40,459,750**	**152,888,804**	**583,381,749**	**104,442,273**	**291,089,633**	**1,605,933,287**
Financial liabilities								
Held for Government							755,906,774	**755,906,774**
Borrowings	91,347,531	-	-	91,347,531	274,042,595	-	-	**456,737,657**
Total Financial Liabilities	91,347,531	-	-	91,347,531	274,042,595	-	-	**1,212,644,431**
Interest Rate Sensitivity Gap	**312,931,438**	**29,392,109**	**40,459,750**	**61,541,273**	**309,339,154**	**104,442,273**	**(464,817,141)**	**393,288,856**

b) Interest Rate Sensitivity Analysis

	GHC		Impact on Profit or Loss	Impact on Equity
			Increase/(decrease) in rates	**Increase/(decrease) in rates**
Rate Sensitive Assets	1,314,843,654	Increase in	65,742,183	65,742,183
Rate Sensitive Liabilities	456,737,657	500 basis point	(22,836,883)	(22,836,883)
			42,905,300	42,905,300
Rate Sensitive Assets	1,314,843,654	Decrease in	(65,742,183)	(65,742,183)
Rate Sensitive Liabilities	456,737,657	500 basis point	22,836,883	22,836,883
			(42,905,300)	(42,905,300)

NOTES TO THE FINANCIAL STATEMENTS CONT'D

c) Interest Rate Risk

December 2021 Financial Assets	Less than 1 month GH¢	1 month Less than 3 months GH¢	3 months Less than 6 months GH¢	6 months Less than 1 year GH¢	1 Year less Than 5 years GH¢	Over 5years GH¢	Non-interest Bearing GH¢	Total GH¢
Cash and Cash Equivalents	-	-	-	-	-	-	206,582,200	206,582,200
Investment Sec. (Money Market)	9,973,089	32,017,509	41,806,577	-	-	-	-	83,797,175
Loans & advances to customers (net)	229,313,961	38,931,334	64,478,823	137,172,438	668,175,926	87,567,775	51,665,865	1,277,306,122
Investments (Other than Money market)	-	-	-	-	-	-	10,000,000	10,000,000
Total Financial Assets	***239,217,279***	***70,948,843***	***106,285,400***	***137,172,438***	***668,175,926***	***87,567,775***	***268,248,065***	***1,577,685,497***
Financial Liabilities								
Held for Government	-	-	-	-	-	-	730,062,166	730,062,166
Borrowings	67,323,095	-	-	67,323,095	336,615,475	-	-	471,261,665
Total Financial Liabilities	***67,323,095***	***-***	***-***	***67,323,095***	***336,615,475***	***-***	***730,062,166***	***1,201,323,831***
Interest Rate Sensitivity Gap	**171,894,184**	**70,948,843**	**106,285,400**	**69,849,343**	**331,560,451**	**87,567,775**	**(461,814,101)**	**376,361,666**

d) Interest Rate Sensitivity Analysis

	GH¢		Impact on Profit or Loss Increase/(decrease) in rates	Impact on Equity Increase/(decrease) in rates
Rate Sensitive Assets	1,309,437,432	Increase in	65,471,872	65,471,872
Rate Sensitive Liabilities	471,261,665	500 basis point	(23,563,083)	(23,563,083)
Total			**41,908,788**	**41,908,788**
Rate Sensitive Assets	1,309,437,432	Decrease in	(65,471,872)	(65,471,872)
Rate Sensitive Liabilities	471,261,665	500 basis point	23,563,083	23,563,083
Total			**(41,908,788)**	**(41,908,788)**

NOTES TO THE FINANCIAL STATEMENTS CONT'D

4(d) (ii) Foreign Exchange Risk

The Bank maintains trade with correspondent banks. The Bank is exposed to the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Bank's currency position and exposure are managed within the exposure guideline recommended by the Bank of Ghana. This position is reviewed on a daily basis by the management.

The exchange rates used for translating the major foreign currency balances at the year-end were as follows:

CURRENCY	2022	2021
US Dollar	8.5760	6.0061
GB Pound	10.3118	8.1272
EURO	9.1457	6.8281

Foreign exchange risk sensitivity analysis

The foreign exchange risks sensitivity analysis is based on the following assumptions:

- Foreign exchange exposures represent net currency positions of all currencies other than Ghana Cedis (GHS).
- The currency risk sensitivity analysis is based on the assumption that all net currency positions are highly effective.
- The base currency in which the Bank's business is transacted is Ghana Cedis (GHS).

NOTES TO THE FINANCIAL STATEMENTS CONT'D

a) Foreign exchange risk

a. Assets	USD	GBP	EUR	OTHER	TOTAL
	GHS	GHS	GHS	GHS	GHS
Cash and cash equivalents	51,001,958	362,081	188,000,039	-	239,364,078
Investment in securities	-	-	-	-	-
Loans and advances to customers (net)	-	-	-	-	-
Other Assets	-	-	-	-	-
Total Financial Assets	**51,001,958**	**362,081**	**188,000,039**		**239,364,078**
Financial Liabilities					
Due to banks and other financial institutions	94,336,000	-	362,401,657	-	456,737,657
Government funding	-	-	-	-	-
Other Liabilities	-	-	-	-	-
Total financial liabilities	**94,336,000**		**362,401,657**		**456,737,657**
Net bal. sheet position	(43,334,042)	362,081	(174,401,618)		(217,373,579)

December 2022

Exchange Rate Sensitivity

		Change in Currency	Effect on Profit		Change in Currency	Effect on Profit
		Rate %	Before Tax		Rate %	Before Tax
		2022	2022		2021	2021
USD	(43,334,042)	10%	(4,333,404)	(54,268,403)	10%	(5,426,840)
GBP	362,081	10%	36,208	109,636	10%	10,964
EUR	(174,401,618)	10%	(17,440,162)	(236,567,220)	10%	(23,656,722)
OTHER	-	10%	-	-	10%	-
			(21,737,358)			(29,072,599)

NOTES TO THE FINANCIAL STATEMENTS CONT'D

December 2021

The table below summarises the Bank's exposure to foreign currency exchange rate risk as at the balance sheet date. (All figures are in thousand Ghana Cedis)

a. Assets	**USD GHS**	**GBP GHS**	**EUR GHS**	**OTHER GHS**	**TOTAL GHS**
Cash and cash equivalents	38,225,537	109,636	142,225,071	-	180,560,244
Investment in securities	-	-	-	-	-
Loans and advances to customers (net)	-	-	-	-	-
Other Assets	-	-	-	-	-
Total Financial Assets	***38,225,537***	***109,636***	***142,225,071***	**-**	***180,560,244***
b. Financial Liabilities					
Due to banks and other financial institutions	92,493,940	-	378,792,291	-	471,286,231
Government funding	-	-	-	-	-
Other Liabilities	-	-	-	-	-
Total Financial Liabilities	***92,493,940***	**-**	***378,792,291***	**-**	***71,286,231***
NET BAL. SHEET POSITION	**(54,268,403)**	**109,636**	**(236,567,220)**	**-**	**(290,725,987)**

Exchange Rate Sensitivity

		Change in Currency Rate % 2020	**Effect on Profit Before Tax 2020**		**Change in Currency Rate % 2018**	**Effect on Profit Before Tax 2018**
USD	(54,268,403)	10%	(5,426,840)	(78,963,521)	10%	7,896,352.10
GBP	109,636	10%	10,964	106,224	10%	10,622
EUR	(236,567,220)	10%	(23,656,722)	(362,650,722)	10%	(36,265,017)
OTHER	-	10%	-	-	10%	-
Total			**(29,072,599)**			**(44,150,746)**

NOTES TO THE FINANCIAL STATEMENTS CONT'D

4(e) Operational Risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Bank's operations and are faced by all business entities.

Operational risks relate to the risk that the Bank's operations may be halted temporarily or permanently by inadequate internal and/or systems controls, allowing for people to take advantage to commit fraud.

The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Bank's reputation with overall cost-effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall bank standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

Compliance with the Bank's standards is supported by a programme of continuous reviews by the Bank's risk management function and periodic reviews by the Internal Audit Department. The reports on these reviews are discussed at the Management Risk and Compliance Committee with issues being escalated to the Board Risk Committee when necessary.

4(f) Compliance Risk

Compliance risk is the risk of legal or regulatory sanctions, financial loss, or loss of reputation the Bank may suffer as a result of its failure to comply with all applicable laws, regulations, codes of conduct and standards of good practice (together, laws, rules and standards").

As part of its efforts to address supervisory issues and enhance sound practices in the Bank, the board, through its Risk Committee and the Compliance function of the Bank manage compliance-related risk of the Bank.

Compliance with laws, rules and standards helps to maintain the Bank's reputation with, and thus meet the expectations of, its customers, the markets and society as a whole. Although compliance with laws, rules and standards has always been important, compliance risk management has become more formalized within the past few years and has emerged as a distinct risk management discipline.

4(g) Management of Compliance Risk

The Board, through its Sub-Committee on Risk, oversees the compliance functions of the Bank. The Compliance function of the Bank, on monthly basis, updates the management on critical compliance issues within the period pertaining to statutory regulations and Ghana Export-Import Bank policies.

Management of issues related to anti-money laundering is of core importance to management. The issues are aggregated and reported to the Board Risk Committee on a quarterly basis.

The Compliance function has standard procedural and policy checklist for every department of the Bank. These checklists ensure compliance with all regulatory and statutory issues. The compliance function has also instituted systems to ensure that proper Know-Your-Customer (i.e. KYC) and Customer Due Diligence (i.e. CDD) procedures are followed in line with Bank of Ghana and Financial Intelligence Centre (i.e. FIC) recommendations. This is achieved through a developed culture of respecting the standard account opening procedure religiously and a system that fosters a continuous update of our customer database.

5. CAPITAL MANAGEMENT

Regulatory Capital

The Ghana Export-Import Bank Act, 2016 (Act 911) sets capital requirements for the Bank.

The Bank's objectives when managing capital are:

- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for the other stakeholders.
- To maintain a strong capital base to support the current and future development needs of the business.
- To comply with the capital requirements as stipulated in Act 911.
- Capital adequacy and use of regulatory capital are monitored by management employing techniques based on the guidelines developed by the Bank of Ghana. The required information is compiled by management on a monthly basis and presented to the board on quarterly basis.
- The Ghana Export-Import Bank Act, 2016 (Act 911) requires the Bank to:
    - Hold the minimum level of stated capital of GH¢50 million.
    - The Bank's regulatory capital is analysed into two tiers:
- Tier 1 capital, which includes ordinary share capital, retained earnings, after deductions for intangible assets (excluding computer software), investments in equity instruments of other institutions and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.
- Tier 2 capital, which includes Capitalized Revaluations Reserves; Undisclosed Reserves; Revaluation Reserves; Subordinated Loans and Hybrid Capital subject to a limit of 100% of Tier 1 Capital.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Bank recognizes the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

Capital Allocation

The allocation of capital between specific operations and activities is, to a large extent, driven by the optimization of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily upon the regulatory capital, but in some cases, the regulatory requirements do not reflect fully the varying degree of risk associated with different activities. In such cases, the capital requirements may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is undertaken independently of those responsible for the operation, by the board's Risk Committee, Risk management or ALCO as appropriate.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

Although maximization of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Bank to particular operations or activities, it is not the sole basis used for decision making. Account also is taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the bank and government's longer-term strategic objectives. The Bank's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

Capital Adequacy Ratio

	2022 GH¢	2021 GH¢
Paid-Up Capital	50,000,000	50,000,000
Deposit for Shares	-	-
Disclosed Reserves	725,593,518	681,134,412
Tier 1 Capital	***775,593,518***	***731,134,412***
Less: Goodwill/Intangibles	(70,659,815)	(143,653,798)
Adjusted Capital Base	***704,933,703***	***587,480,614***
Total Assets (Less Contra Items)	2,026,705,251	1,962,987,340
Less		
Cash at Bank of Ghana	(21,802,736)	(12,764,889)
Claims of Financial & Guaranteed Loans	(245,875,514)	(222,091,589)
Goodwill / Intangibles	(70,659,815)	(143,653,798)
Adjusted Total Assets	***1,688,367,186***	***1,584,477,064***
Add		
Net Contingent Liabilities	127,450,009	-
50% of Net Open Position	178,687,723	145,388,450
100% of 3 years average annual Gross income	170,799,163	153,826,029
Adjusted Asset base	**2,165,304,081**	**1,883,691,543**
Capital Adequacy Ratio (%)	32.56	31.19
Capital Surplus/Deficit	**488,403,295**	**399,111,460**

6. GOING CONCERN

As at 31 December 2022, the need for additional sources of funding to support our operations and meet the financing needs of our clients and the government's vision for the non-traditional export sector requires the Bank to raise funds on the international capital market. The availability of these funds as well as the cost involved are concerns the board and management are working on earnestly.

The Directors have put in place enhanced measures to avoid and or mitigate these risks and safeguard the survival of the Bank.

7. INTEREST INCOME

	2022 GH¢	2021 GH¢
Loans and Advances	73,931,192	48,420,986
Placements	7,977,805	15,272,694
Interest Gap Funding	213,399,898	142,740,457
Total Interest Income	**295,308,895**	**206,434,137**

NOTES TO THE FINANCIAL STATEMENTS CONT'D

8. FUNDING COST

Interest Expense	30,569,652	30,946,735
Financing Cost	7,830,300	7,213,121
Arrangement Fees and Charges	-	-
Revaluation (Gain)/Loss	51,433,736	(8,709,139)
Total Funding Cost	**89,833,688**	**29,450,717**

9. FEES AND COMMISSION

	2022 GH¢	**2021 GH¢**
Facility Fees	2,202,685	2,442,500
Management Fees	256,252	934,393
Other Fees and Commission Income	3,653,682	2,441,032
Total Fees and Commission Income	**6,112,619**	**5,817,925**

10. NET TRADING INCOME

Foreign Exchange Dealings	7,599,067	245,521

Net trading income comprises gains less losses related to trading assets and liabilities and includes all realized and unrealized fair value changes, interest, dividends and foreign exchange dealings.

11. OTHER OPERATING INCOME

	2022 GH¢	**2021 GH¢**
Gain on Disposal of Property, Plant and Equipment	-	190

12. PERSONNEL EXPENSES

Salaries, Bonuses and Staff Allowances	71,956,479	51,418,153
Social Security Fund Contribution	3,467,469	2,620,945
Provident Fund Contribution	2,667,284	2,016,111
Medicals	3,024,695	1,714,866
Other Staff Related Costs	8,618,097	3,857,648
Total Personnel Expenses	**89,734,024**	**61,627,723**

13. DEPRECIATION AND AMORTISATION

Depreciation	14,089,495	14,448,590
Amortization	492,720	2,358,649
Total Depreciation & Amortisation	**14,582,215**	**16,627,723**

NOTES TO THE FINANCIAL STATEMENTS CONT'D

14. OTHER EXPENSES

Directors' Fees	8,051,103	3,859,902
Occupancy Cost	4,866,171	4,976,939
Auditors Remuneration	160,000	233,333
Donations and Social Responsibility	3,495,335	2,589,600
Motor Vehicle Running	434,196	131,295
General & Administrative	1,083,020	4,533,003
Repairs and Maintenance	1,413,031	657,040
Insurance	1,398,483	1,134,544
Legal and Other Professional Fees	3,656,976	5,418,532
IT, Software & Maintenance	6,079,143	6,817,390
Training & Research	1,260,922	899,331
Security	675,432	757,277
Public Relations/Marketing	1,340,999	8,170,443
Printing & Stationery	744,159	425,012
Travel & Transportation	15,454,280	3,325,189
Bank Charges	76,553	50,280
Telephone and Postage	738,885	370,467
Total Other Expenses	**50,928,688**	**44,349,577**

15. IMPAIRMENT CHARGE ON FINANCIAL ASSETS

	2022 GH¢	2021 GH¢
Loans and Advances	19,554,482	16,259,890
Investments	(71,622)	(90,663)
Total Impairment Charge	**19,482,860**	**16,169,227**

16. CASH AND CASH EQUIVALENTS

Cash on Hand	98,914	75,345
Balances with Bank of Ghana	21,703,822	12,689,544
Nostro Balances	20,285,814	16,240,693
Total Cash & Cash Equivalents	**42,088,550**	**29,005,582**

17. RESTRICTED CASH

Credit Suisse AG DSR Account

At 1 January	177,576,618	154,822,734
Additions	61,424,465	22,753,884
Revaluations	-	-
At 31st December	**239,001,083**	**177,576,618**

The Bank's restricted cash consists of cash that the Bank is contractually obligated to maintain in accordance with the terms of its loan agreement with Credit Suisse AG, London dated January 21, 2020.

The Bank is required to maintain an amount equal to twice the Maximum Debt Service Obligation in respect of the current interest period in an Offshore Debt Service Reserve Account (DSRA). This is recorded as restricted cash in the non-current assets. The terms of the agreement require that no amounts should be withdrawn from the Offshore DSRAs other than where there is insufficient balance in the Onshore Debt Service Account (DSA) to pay any amount due to a Finance Party.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

18. INVESTMENT SECURITIES (MONEY MARKET)	2022 GH¢	2021 GH¢
Interbank Placement	48,153,804	83,965,105
Impairment Cost (18a)	(96,308)	(167,930)
Total	**48,057,496**	**83,797,175**

18(a) MOVEMENT IN IMPAIRMENT

At 1st January	167,930	258,593
Charge for the year	(71,622)	(90,663)
At 31st December	**96,308**	**167,930**

This amount represents investments placed with the following financial institutions; National Investment Bank Limited (NIB), Prudential Bank, Omni-BSIC Bank, United Bank of Africa (UBA), Universal Merchant Bank (UMB), Consolidated Bank Ghana (CBG), GCB Bank and Zenith Bank.

19. LOANS AND ADVANCES TO CUSTOMERS (NET)	2022 GH¢	2021 GH¢
Loans and Advances to Customers	1,428,075,964	1,488,448,794
Interest-In-Suspense	(87,848,535)	(48,818,866)
	1,340,227,429	1,439,629,928
Impairment Cost (Note 19 (a))	(73,441,271)	(162,323,806)
Total	**1,266,786,158**	**1,277,306,122**

19(a) Movement In Impairment

At 1st January	162,323,806	146,063,916
Charge for the year	19,554,482	16,259,890
Transfer	(108,437,017)	-
At 31st December	**73,441,271**	**162,323,806**

20. INVESTMENTS (OTHER THAN MONEY MARKET)

Investments (Other Money Market Instruments)	10,000,000	10,000,000

This amount represents an equity investment made by the Bank through Oasis Capital Ghana Limited with the purpose of providing financial support to SMEs in the country. The Bank has elected to measure this investment at fair value through other comprehensive income.

21. OTHER ASSETS	2022 GH¢	2021 GH¢
Prepayments	21,138,546	32,760,506
Prepaid Staff Cost	5,198,190	2,299,307
Receivables	8,985,702	8,089,653
Green-House Enterprise Project	-	47,268,766
Total Other Assets	**35,322,438**	**90,418,232**

NOTES TO THE FINANCIAL STATEMENTS CONT'D

22a. PROPERTY, PLANT AND EQUIPMENT

2022 COST/VALUATION	Buildings on Short Leasehold Lands GH¢	Office Equipment GH¢	Furniture & Fittings GH¢	Motor Vehicle GH¢	Computers Hardware GH¢	Work-in-Progress GH¢	Total GH¢
At 1st January 2022	281,049,952	2,220,631	9,965,416	4,672,550	12,662,793	21,883,642	332,454,984
Additions	2,849,017	1,128,972	1,157,434	36,838	3,504,344	13,770,372	22,446,977
Transfers/Disposals	-	-	-	-	-	-	-
At 31st Dec. 2022	**283,898,969**	**3,349,603**	**11,122,850**	**4,709,388**	**14,167,137**	**35,654,014**	**354,901,961**
DEPRECIATION							
At 1 January 2022	16,766,455	1,379,070	5,527,854	3,745,090	11,327,139	-	38,745,608
Charge for the year	5,751,979	1,147,912	4,509,505	279,350	2,400,749	-	14,089,495
At 31 December 2022	**22,518,434**	**2,526,982**	**10,037,359**	**4,024,440**	**13,727,888**	**-**	**52,835,103**
CARRYING AMOUNT							
At 31 December 2022	**261,380,535**	**822,621**	**1,085,491**	**684,948**	**2,439,249**	**35,654,014**	**302,066,858**
At 31 December 2021	264,283,497	841,561	4,437,562	927,460	1,335,654	21,883,642	293,709,376

NOTES TO THE FINANCIAL STATEMENTS CONT'D

22b. PROPERTY, PLANT AND EQUIPMENT

2021 **COST/VALUATION**	**Buildings on Short Leasehold Lands GH¢**	**Office Equipment GH¢**	**Furniture & Fittings GH¢**	**Motor Vehicle GH¢**	**Computers Hardware GH¢**	**Work-in-Progress GH¢**	**Total GH¢**
At 1st January 2021	281,049,952	2,212,681	1,650,423	4,134,350	12,464,569	15,742,224	317,254,199
Additions	-	7,950	8,314,993	538,200	198,224	6,141,418	15,200,785
Transfers/Disposal	-	-	-	-	-	-	-
At 31st Dec. 2021	**281,049,952**	**2,220,631**	**9,965,416**	**4,672,550**	**12,662,793**	**21,883,642**	**332,454,984**
DEPRECIATION							
At 1 January 2021	11,148,162	954,486	1,246,177	3,074,800	7,873,394	-	24,297,019
Charge for the year	5,618,293	424,584	4,281,677	670,290	3,453,745	-	-
Transfers/Disposal	-	-	-	-	-	-	-
At 31 December 2021	**16,766,455**	**1,379,070**	**5,527,854**	**3,745,090**	**11,327,139**	**-**	**38,745,608**
CARRYING AMOUNT							
At 31 December 2021	**264,283,497**	**841,561**	**4,437,562**	**927,460**	**1,335,654**	**21,883,642**	**293,709,376**
At 31 December 2020	269,901,790	1,258,195	404,246	1,059,550	4,591,175	15,742,224	292,957,180

NOTES TO THE FINANCIAL STATEMENTS CONT'D

23. INTANGIBLE ASSETS-COMPUTER SOFTWARE

COST/VALUATION	2022 GH¢	2021 GH¢
Balance at Jan. 1,	8,438,281	8,438,281
Additions	82,701,153	-
Balance at Dec. 31	**91,139,434**	**8,438,281**
AMORTISATION		
Balance at Jan. 1,	7,264,046	4,905,397
Amortization	492,720	2,358,649
Balance at Dec. 31	**7,756,766**	**7,264,046**
Net Book Value at Dec. 31	**83,382,668**	**1,174,235**

24. HELD FOR GOVERNMENT

Opening balance	730,062,166	600,059,580
Total Import Levies on Non-Petroleum Products	426,799,796	285,480,914
50% Levies Recognised as Income	(213,399,898)	(142,740,457)
Utilised for Research, Development, Promotion & Capacity Building	(187,555,290)	(12,737,871)
Total	**755,906,774**	**730,062,166**

Held for Government

Maturity analysis		
Payable:		
Within one year	-	-
After one year	755,906,774	730,062,166
Total	**755,906,774**	**730,062,166**

25. BORROWING

On January 21, 2020, Ghana Export-Import Bank entered into an agreement with Credit Suisse AG, London Branch, under which the company advanced a multicurrency term loan facility in an aggregate amount equal to US$100 million to be utilized in on-lending to parties within an Approved Sector to support the financing of export trade activities.

The multicurrency loan facility is made up of EUR equivalent of US$80 million and US Dollar component of US$ 20 million. The Dollar portion of the facility attracts interest at an annual rate of Libor plus 5.25%, while the Euro portion attracts interest at an annual rate of Euribor plus 5.25%. Interest is payable at an interval of six (6) months from the date of the signing until the Final Maturity Date.

The balance on the loan excluding accrued interest was GHS 456,737,657 (Eur 39,625,360 and US$ 11,000,000).

Analysis of the loan is shown below:

	2022 GH¢	2021 GH¢
Proceeds from loan	471,261,665	599,192,958
Loan repayment	(143,834,839)	(116,611,933)
Exchange difference	129,310,831	(11,319,360)
Total	**456,737,657**	**471,261,665**

NOTES TO THE FINANCIAL STATEMENTS CONT'D

26. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	2022 GH¢	2021 GH¢
Accruals	7,509,937	4,684,828
Sundry Creditors	9,188,934	5,068,728
Provisions	-	526,064
Management Fees	386,962	471,751
Facility Fees	5,065,197	6,147,275
Interest Payables	16,316,272	13,630,451
Total	**38,467,302**	**30,529,097**

27. STATED CAPITAL

	No. of shares		Proceeds	
	2022 GH¢	2021 GH¢	2022 GH¢	2021 GH¢
Authorized Ordinary shares of no par value	100,000,000	100,000,000	-	-
Issued For cash	50,000,000	50,000,000	50,000,000	50,000,000
Other consideration	-	-	-	-
	50,000,000	**50,000,000**	**50,000,000**	**50,000,000**

28. REGULATORY CREDIT RISK RESERVE

	2022 GH¢	2021 GH¢
Balance at 1st January	53,235,566	43,502,808
Transfer from Retained Earnings	(17,898,189)	9,732,758
Balance at 31 December	**35,337,377**	**53,235,566**
GAAP	108,946,642	215,727,302
IFRS	(73,609,265)	(162,491,736)
Change to Credit Reserve	**35,337,377**	**53,235,566**

This represents the excess of provisions for impairment charge on financial assets based on GAAP over impairment charge as per International Financial Reporting Standards computations.

29. GENERAL RESERVE FUND

	2022 GH¢	2021 GH¢
1st January	51,372,126	29,325,481
Transfer from Retained Earnings	22,229,553	22,046,645
Balance as 31 December	**73,601,679**	**51,372,126**

This represents a mandatory reserve fund established and maintained to cover the risk of bankruptcy. It is measured at 50% of the net profits after tax, but before dividend and such amount shall accumulate until it reaches the minimum paid-up capital, after which time the applicable percentage reduces to a minimum of 25%.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

30. CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date. (2021: Nil)

31. CAPITAL COMMITMENTS

There were no outstanding commitments for capital expenditure not provided for in the financial statements at the balance sheet date. (2021: Nil)

32. RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or if one other party controls both. Ghana Export-Import Bank is wholly owned and controlled by the Government of Ghana.

Remuneration of key management personnel:

The key management personnel and connected persons considered to be related parties for disclosure purposes are defined to include close members of the family of key personnel and other entities to which such person's exercise control.

Key management compensation during the year is shown below:

	2022 GH¢	2021 GH¢
Directors Fees	8,051,103	5,787,883

VALUE ADDED STATEMENT

		2022			2021	
		GH¢	**%**		**GH¢**	**%**
Interest Earned and other Banking Income		301,421,514			212,252,062	
Bought in Cost and Services		(160,245,235)			(89,969,521)	
Value Added by Banking Services		*141,176,279*			*122,282,541*	
Add Non-Banking Income		7,599,067			245,711	
Value Added for Distribution		**148,775,346**	**100**		**122,528,252**	**100**
Applied as Follows						
To Pay Employees						
Salaries and Allowance for Directors and Staff		89,734,025	60		61,627,723	50.30
To Pay Government						
Corporate Tax		-	-		-	-
To Pay Providers of Capital						
Dividend to Shareholders		-	-		-	-
Retained for Expansion and Improvement:						
Depreciation	14,582,215			16,807,239		
Retained Profit	44,459,106	59,041,322	40	44,093,290	60,900,529	49.70
Value Added allocated		**148,775,356**	**100**		**122,528,252**	**100**

Value added statement represents the wealth created by the effort of the bank and its employees' effort based on ordinary activities and the allocation of that wealth being created between employees, shareholders and that retained for the future creation of more wealth and expansion.

FIVE (5) YEARS HISTORICAL SUMMARY

a. Financial Position

	2022 GH¢	2021 GH¢	2020 GH¢	2019 GH¢	2018 GH¢
ASSETS					
Cash and Cash Equivalents	42,088,550	29,005,582	42,359,933	25,132,621	35,187,278
Restricted Cash	239,001,083	177,576,618	154,822,734	-	-
Investment Securities (Money Market)	48,057,496	83,797,175	129,038,052	118,922,636	153,419,216
Loans and Advances to Customers (Net)	1,266,786,158	1,277,306,122	1,243,445,993	795,114,846	552,213,615
Investments (Other than Money Market)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Other Assets	35,322,438	90,418,232	46,430,281	12,227,240	73,213,514
Property, Plant and Equipment	302,066,858	293,709,376	292,957,180	284,756,462	284,693,877
Intangible Assets-Computer Software	83,382,668	1,174,235	3,532,884	4,717,298	-
TOTAL ASSETS	**2,026,705,251**	**1,962,987,340**	**1,922,587,057**	**1,250,871,103**	**1,108,727,500**
LIABILITIES					
Held for Government	755,906,774	730,062,166	600,059,580	531,296,543	435,934,034
Borrowing	456,737,657	471,261,665	599,192,958	-	-
Accounts Payable and Other Liabilities	38,467,302	30,529,097	36,293,397	23,155,646	28,818,446
Total Liabilities	***1,251,11,733***	***1,231,852,928***	***1,235,545,935***	***554,452,189***	***464,752,480***
EQUITY					
Stated Capital	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Retained Earnings	616,654,462	576,526,720	564,212,833	607,041,696	582,050,529
Regulatory Credit Risk Reserve	35,337,377	53,235,566	43,502,808	10,051,737	8,820,957
General Reserve Fund	73,601,679	51,372,126	29,325,481	29,325,481	3,103,534
Total Shareholder's Funds	***775,593,518***	***731,134,412***	***687,041,122***	***696,418,914***	***643,975,020***
TOTAL LIABILITIES AND EQUITY	**2,026,705,251**	**1,962,987,340**	**1,922,587,057**	**1,250,871,103**	**1,108,727,500**

FIVE (5) YEARS HISTORICAL SUMMARY CONT'D

b. Financial Performance

	2022 GH¢	2021 GH¢	2020 GH¢	2019 GH¢	2018 GH¢
Interest Income	295,308,895	206,434,137	177,477,901	167,198,087	61,269,563
Funding Cost	(89,833,688)	(29,450,717)	(83,390,235)	(1,313,200)	-
Net Interest Income	***205,475,207***	***176,983,420***	***94,087,666***	***165884887***	***61,269,563***
Fees and Commission	6,112,619	5,817,925	10,321,738	6,190,844	2,433,067
Net Trading Income	7,599,067	245,521	5,572,129	544,488	-
Other Operating Income	-	190	182,007	19,400	2,000
Total Operating Income	***219,186,893***	***183,047,056***	***110,163,540***	***172,639,619***	***63,704,630***
Personnel Expenses	(89,734,024)	(61,627,723)	(57,311,278)	(51,404,417)	(41,852,629)
Depreciation and Amortization	(14,582,215)	(16,807,239)	(12,688,559)	(10,793,486)	(889,247)
Other Expenses	(50,928,688)	(44,349,577)	(32,133,263)	(33,451,428)	(17,941,336)
	63,941,966	***60,262,517***	***8,030,440***	***76,990,288***	***3,021,418***
Impairment Charge on Financial Assets	(19,482,860)	(16,169,227)	(17,408,231)	(24,546,394)	(1,888,110)
Profit/(Loss) Before Taxation	***44,459,106***	***44,093,290***	***(9,377,791)***	***52,443,894***	***1,133,308***
Income Tax Expense	-	-	-	-	-
Net Profit After Taxation	***44,459,106***	***44,093,290***	***(9,377,791)***	***52,443,894***	***1,133,308***
Other Comprehensive Income	-	-	-	-	-